

~~TOP SECRET~~

FAR EAST

3. CHINA: Possible split in Communist Party--According to US Consul General Shanghai, a Chinese source has told a US official in Shanghai that Communist General Chen Yi, mayor of Shanghai and commander of the Third Field Army, is "fed up" with Soviet influence over the Peiping regime and foresees a possible split in Chinese Communist ranks following Mao Tse-tung's return from Moscow. Chen is allegedly interested in learning whether the US would assist the "China first" group in the event of an open split. The US Consul General has "strong reason to believe" that this approach is "genuine," but recommends that in view of the vulnerability of US personnel in Communist China, the US obtain "infallible proof" that the Chinese source is an authorized spokesman for Chen and that further conversations be carried on in Hong Kong.

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State Dept. review completed

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